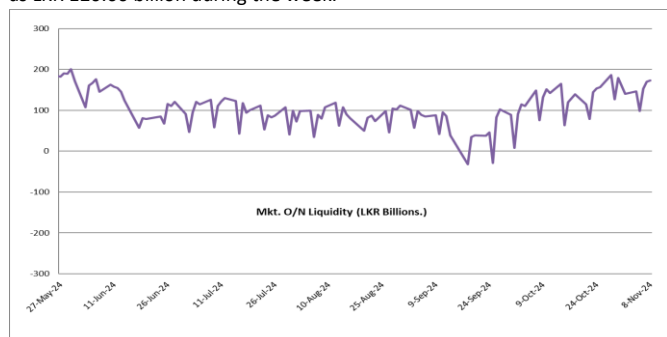
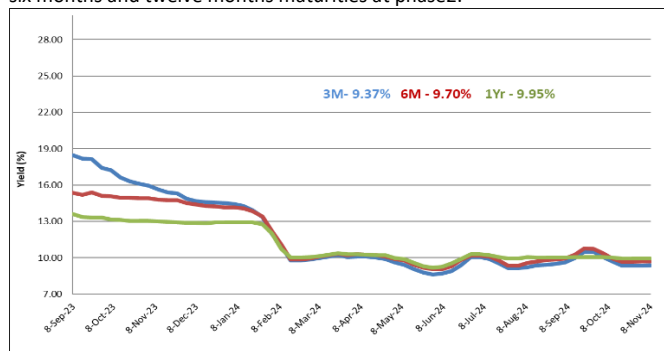


Weekly review for the week ending 08th November 2024
Money Market: Overnight Money market liquidity recorded a surplus on Friday.

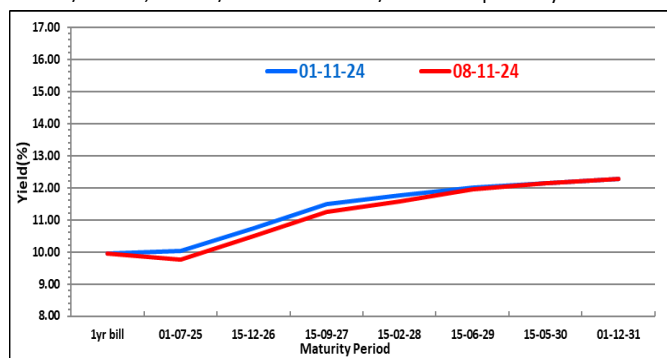
Overnight liquidity recorded a surplus of LKR 173.37 billion at the end of the week compared to the surplus of LKR 140.05 billion by the end of last week and overnight Repo was exchanged between 8.50%-8.95% in the market. The total gross volume of Repo transactions in the money market was recorded as LKR 120.60 billion during the week.


Government Securities Market Review
Treasury Bill Market: Treasury bill auction fully subscribed and weighted averages edge up marginally.

CBSL offered and accepted LKR 175 billion at the weekly T-Bill auction held on 06th November 2024. The weighted average rate of 91-days maturity increased by 02 basis points to 9.37%, while 182-days and 364-days bills were accepted at weighted average rates of 9.70% (increased by 02 basis points) and 9.95% respectively. Further to the T-bill auction, CBSL raised LKR 3,096 million from six months and twelve months maturities at phase2.


Treasury Bond Market: Secondary bond market yields edged down.

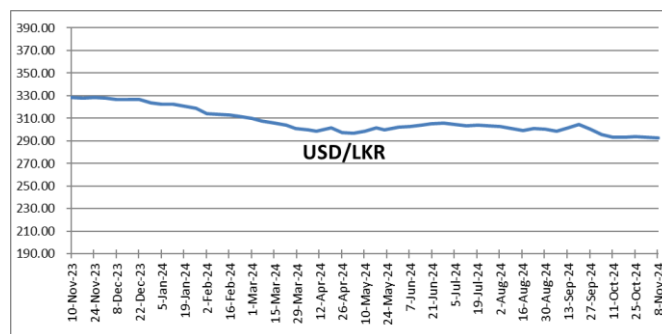
The secondary bond market activities continue to increase and yields edge down due to buying interest. Most liquid maturities were 01.05.2027, 15.03.2028 and 15.12.2028. Maturities were closed for the week at 11.10%/11.20%, 11.55%/11.60% & 11.75%/11.80% respectively.


International Forex Market

The dollar index held steady around 104.5 on Friday. Federal Reserve's reduced the fed funds rate by 25 bps, as expected.. The dollar Index that tracks the greenback against a basket of other currencies was at 104.51 as of writing.

Local Forex Market

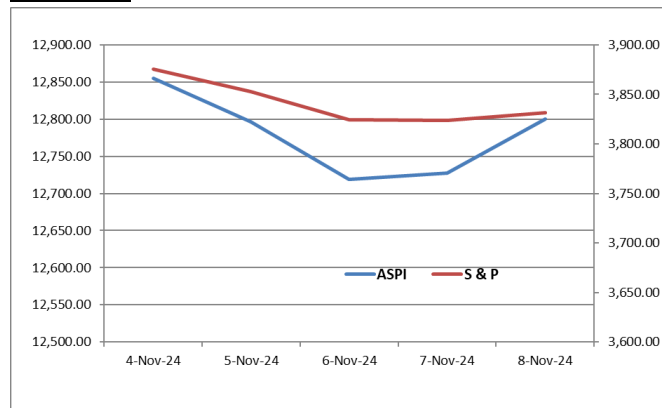
In the Forex market, the indicative middle rate for USD/LKR published by CBSL was Rs. 292.69 on Friday. The total USD/LKR traded volume from 01st November to 07th November 2024 was \$ 366.47 million.


Commodity Markets

- **Oil:** Crude futures between \$71 - \$76 per barrel on Friday and remained on track for a weekly gain as investors weighed factors affecting future crude supply and demand. Market sentiment is influenced by uncertainties surrounding the incoming Donald Trump administration, which could affect oil prices by boosting U.S. Crude oil WTI futures and Brent crude futures were trading at \$71.67 and \$75.04 as of writing.
- **Gold:** Gold held near \$2,700 per ounce on Friday. The Fed cut the federal funds target range to 4.50%-4.75% on Thursday, the second reduction this year, as policymakers noted signs of softening in the labor market. Gold futures were traded at \$ 2,681.50 as of writing.

Economic updates – Local

- President promises PAYE tax reduction by March 2025.
- Sri Lanka foreign reserves US\$6.4bn in October 2024, up 7.9%.
- Sri Lanka central bank ready for vehicle import relaxation.

Stock Market:


At the end of the week the ASPI had lost 63.19 points to close at 12,800.46 while the S & P SL20 index, which tracks the largest capitalized stocks traded in the CSE, lost 48.06 points, and ended at 3,831.27. The average turnover for the week ending 08.11.2024 was around LKR 2,317.20 million.